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LEGISLATIVE RESEARCH COMMISSION

REPORT
TO THE
1977

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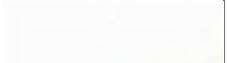
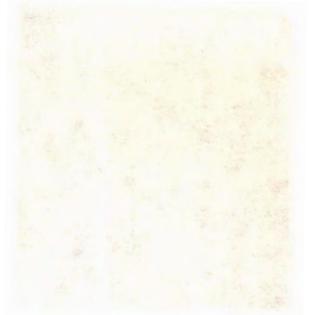
GENERAL ASSEMBLY OF NORTH CAROLINA
SECOND SESSION 1978



AGING

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LEGISLATIVE RESEARCH COMMISSION
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TO THE MEMBERS OF THE SECOND SESSION OF THE 1977 GENERAL ASSEMBLY:

The Legislative Research Commission herewith reports to the Second Session of the 1977 General Assembly of North Carolina on the matter of Aging. The report is made pursuant to House Bill 533 of the 1977 General Assembly.

This report was prepared by the Legislative Research Commission Committee on Aging, and it is transmitted by the Legislative Research Commission to the members of the Second Session of the 1977 General Assembly for their consideration.

Respectfully submitted,

John T. Henley
John T. Henley

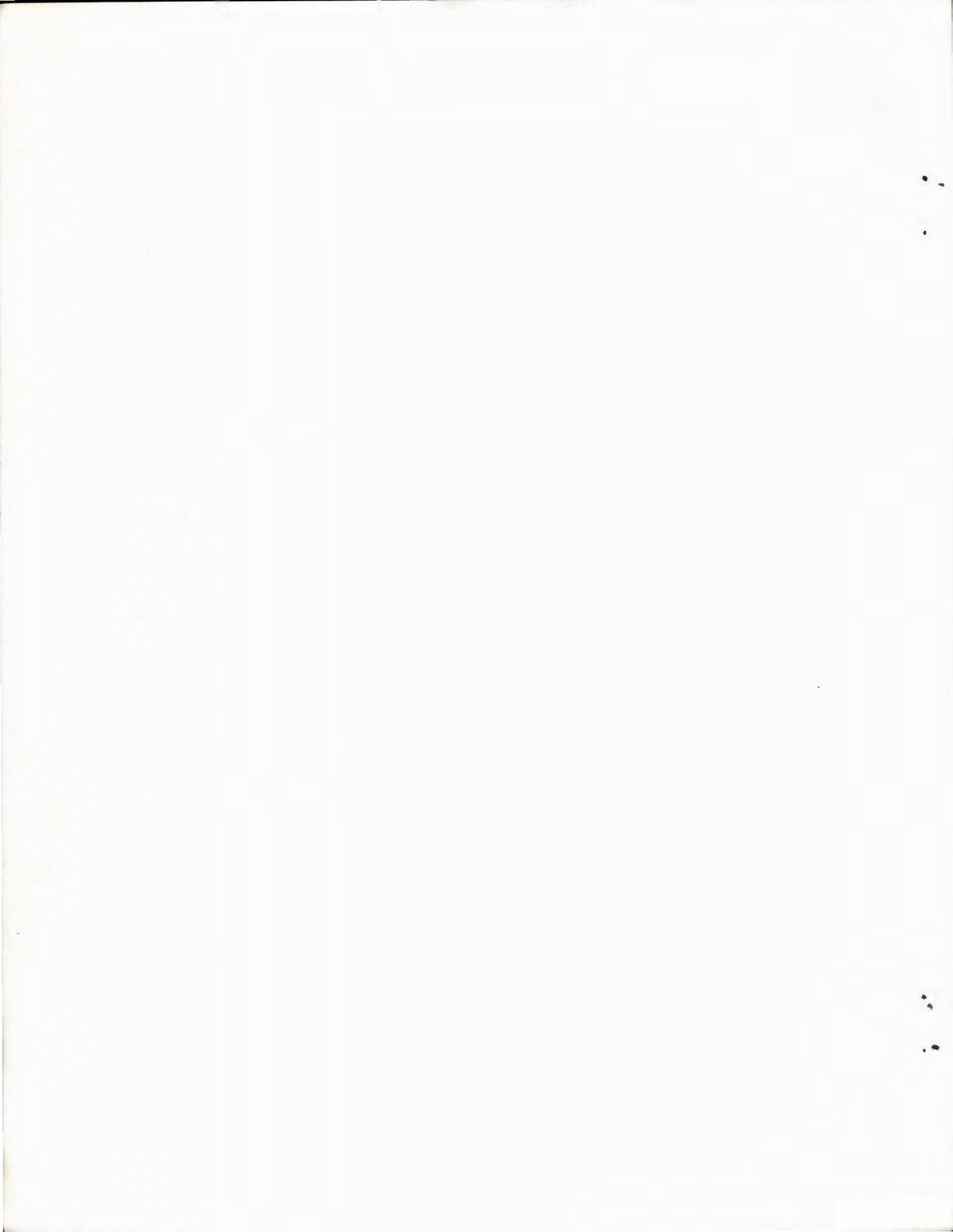
Carl J. Stewart, Jr.
Carl J. Stewart, Jr.

Co-Chairmen

LEGISLATIVE RESEARCH COMMISSION

KFN 7491/A3/A25/1978

HA/060/06/NE/1977/4-2



ARTICLE 6B.

Legislative Research Commission.

§ 120-30.10. **Creation; appointment of members; members ex officio.** — (a) There is hereby created a Legislative Research Commission to consist of five Senators to be appointed by the President pro tempore of the Senate and five Representatives to be appointed by the Speaker of the House. The President pro tempore of the Senate and the Speaker of the House shall be ex officio members of the Legislative Research Commission. Provided, that when the President of the Senate has been elected by the Senate from its own membership, then the President of the Senate shall make the appointments of the Senate members of the Legislative Research Commission, shall serve ex officio as a member of the Commission and shall perform the duties otherwise vested in the President pro tempore by G.S. 120-30.13 and 120-30.14.

(b) The cochairmen of the Legislative Research Commission may appoint additional members of the General Assembly to work with the regular members of the Research Commission on study committees. The terms of the additional study committee members shall be limited by the same provisions as apply to regular commission members, and they may be further limited by the appointing authorities.

(c) The cochairmen of the Legislative Research Commission may appoint persons who are not members of the General Assembly to advisory subcommittees. The terms of advisory subcommittee members shall be limited by the same provisions as apply to regular Commission members, and they may be further limited by the appointing authorities. (1965, c. 1045, s. 1; 1975, c. 692, s. 1.)

§ 120-30.17. **Powers and duties.** — The Legislative Research Commission has the following powers and duties:

- (1) Pursuant to the direction of the General Assembly or either house thereof, or of the chairmen, to make or cause to be made such studies of and investigations into governmental agencies and institutions and matters of public policy as will aid the General Assembly in performing its duties in the most efficient and effective manner.
- (2) To report to the General Assembly the results of the studies made. The reports may be accompanied by the recommendations of the Commission and bills suggested to effectuate the recommendations.
- (3), (4) Repealed by Session Laws 1969, c. 1184, s. 8. (1965, c. 1045, s. 8; 1969, c. 1184, s. 8.)

MEMBERSHIP

House Speaker Carl J. Stewart, Jr. Chairman	Senate President Pro Tempore John T. Henley, Chairman
Representative Chris S. Barker, Jr.	Senator Dallas L. Alford, Jr.
Representative John R. Gamble, Jr.	Senator Luther J. Britt, Jr.
Representative A. Hartwell Campbell	Senator Cecil J. Hill
Representative H. Parks Helms	Senator Robert B. Jordan, III
Representative Lura S. Tally	Senator Vernon E. White

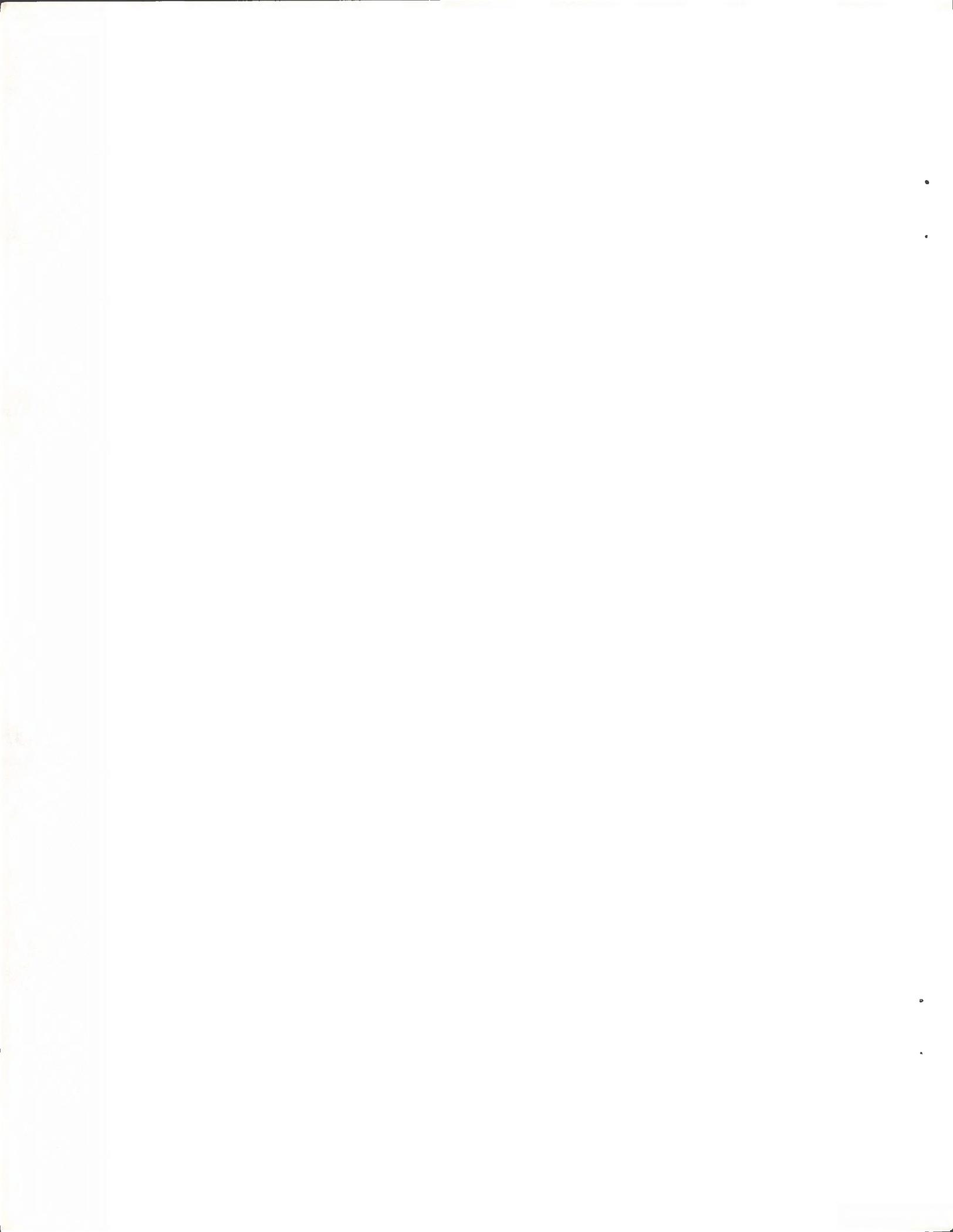
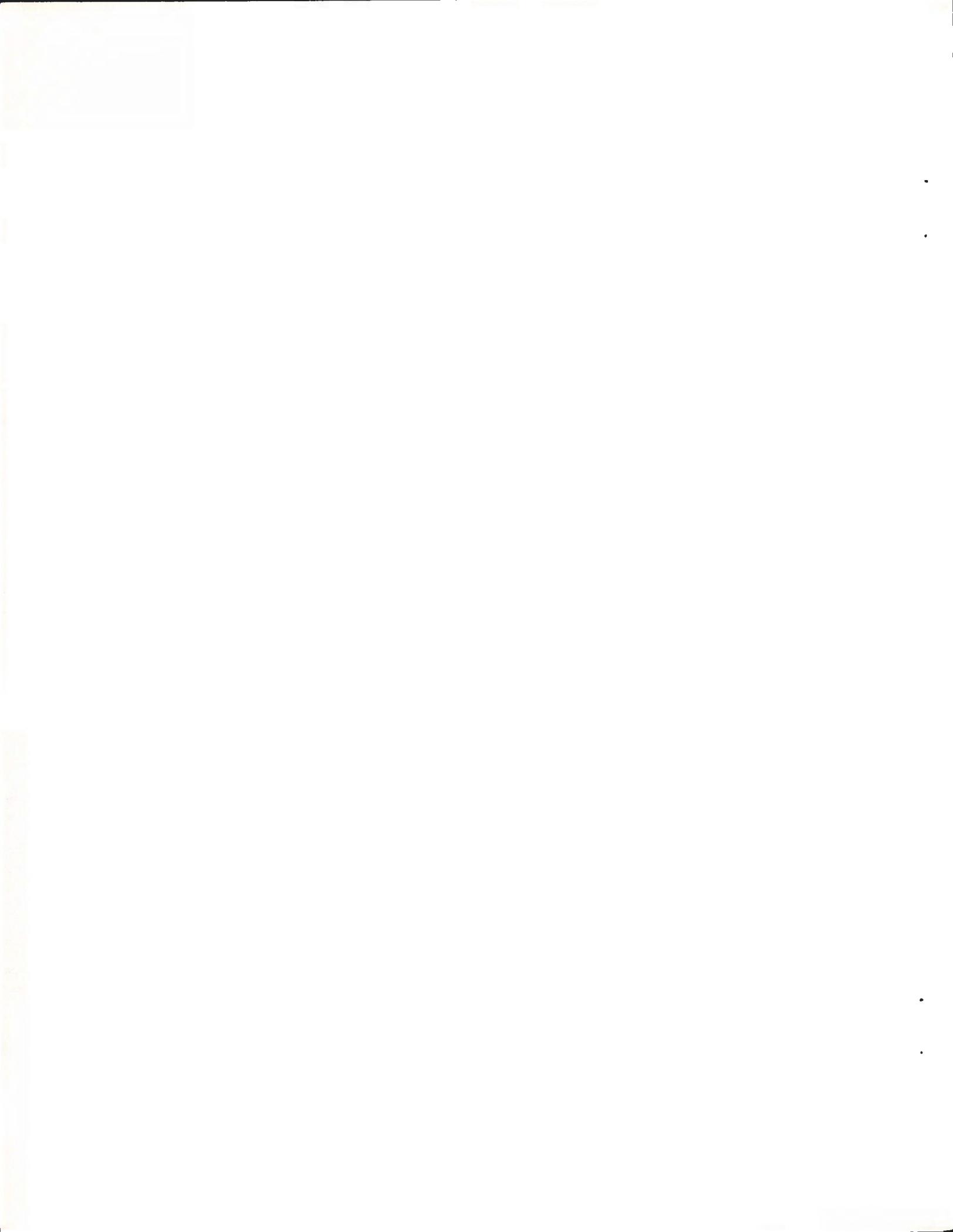


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INTRODUCTION

The Legislative Research Commission, authorized by Article 6B of Chapter 120 of the General Statutes (G.S. 120-30.17(6)), is a general purpose study group whose duties are that of making or causing to be made, upon the direction of the General Assembly, "such studies of and investigations into governmental agencies and institutions and matters of public policy as will aid the General Assembly in performing its duties in the most efficient and effective manner."

By House Bill 533 (1977 Session Laws, Resolution 86), the Legislative Research Commission was authorized to undertake a study of the problems and needs of the aging population in North Carolina (see Appendix A). The bill directed that the Legislative Research Commission "make a thorough study of the entire range of problems and needs of the older adults of this State and make specific recommendations to the Governor and the General Assembly on how these problems can be satisfactorily solved and met. In its deliberations the commission shall examine national trends and programs in other states as well as programs and priorities in North Carolina."

In order to accomplish these tasks, Representative John R. Gamble, Jr., as a member of the Legislative Research Commission, was appointed Chairman of the Study on Problems of the Aging. Senator Joe B. Raynor and Representative Ernest B. Messer were appointed Co-Chairmen. The Committee elected Representative Messer as presiding member. The other members appointed were Senators Ollie Harris, James D. Speed, Ralph H. Scott, and Rachel G. Cray; Representatives James McClure Clarke, Gus N. Economos, Edd Nye, and Janet Pickler; and public members, Mrs. Louise Saunders and Mr. A. B. Swindell, IV. The Legislative Services Officer provided staff assistance to the Committee for this study.

The persons who appeared before the Committee are listed in Appendix B. The minutes of the Committee meetings reflect the statements and discussions at each meeting. All of this information is included in the Committee files.

BACKGROUND

Today, over 750,000 older persons live in North Carolina. Every year each one faces all the normal human problems connected with his or her housing, health, income, transportation, gainful activity, food, recreation, and self-preservation.

In American society, as in the rest of the western world, age is the principal basis for determining the social activities and opportunities of individuals. Problems faced by the elderly include:

1. LOSS OF WORK ROLE. Compulsory retirement continues to encourage a decline in the age of leaving the work force.
2. REDUCTION IN INCOME AND PURCHASING POWER. Older persons experience a substantial drop in income at the time of retirement; even if their retirement income remains constant, inflation eats away at actual purchasing power. Using U.S. Bureau of the Census data, E. B. Palmore and F. Whittington showed that the gap between younger (14-64) and older (65+) individuals with regard to income widened from 1950 to 1970, with the old becoming more disadvantaged.
3. AGE SEGREGATION AND ISOLATION. This is associated with specialized and congregated housing and institutional care.
4. PERSONAL AND SOCIAL ISOLATION. Isolation is associated with living alone without appropriate community services reaching into the home.

In the "good old days," life was much simpler for most older people -- for our grandparents' grandparents. Living often in three-generation families, they worked at their crafts or trades as long as they were physically able. They lived fifty or sixty years, benefited from personalized though limited health care, and died natural deaths at home. Children and others in a family were regarded legally and socially as responsible for the older members of the family. They fulfilled their filial duties, expecting to be cared for in turn by their own offspring. The legal transactions that touched our ancestors' lives were births recorded in the family Bible and property passed on by Wills that may or may not have been drawn by lawyers.

But this family-support system did not always work. The country came to recognize this during the great Depression of the 1930s when it began to feel a sense of responsibility for the aged and the poor. As a result, in 1935 Congress passed the Social Security Act, which established social insurance for retired workers, and the Old Age Assistance Program, which provided public assistance for poor, elderly people.

With this basic legislation enacted, the expectation came to be that older Americans would live out retirement supported by the "three-legged stool" of pensions, savings, and Social Security. By the 1960s, however, this theory belied the cruel reality. Inflation had eaten away hard-earned savings. Pension funds went bankrupt or workers left before they fulfilled the rigorous 20- or 30-year "vesting" requirements. Social Security was fixed, and its meager income barely met the older person's minimal monthly expenses. Furthermore, our highly industrialized society meant mandatory retirement and discrimination against older workers in the job force. And to top it off, the astronomical rise in health costs was financially devastating for an elderly person with a long-term illness.

Together with these economic changes came the gradual disintegration of the three-generation family-support network.

Over the years then, problems of our growing older population have become major societal concerns. In 1975, there were 22.3 million Americans over age 60, and the average life expectancy of a white male was 71 years. By 2000, the Census Bureau predicts there will be 29 million elderly Americans. Some independent researchers predict that by that year over half of all Americans will be over 50. The median yearly income of elderly couples is now about \$4,800 and of elderly individuals living alone about \$3,100.

Despite their magnitude, the benefits of the New Deal, the Social Security Act, and the Old Age Assistance Program could not alone meet the diverse and growing needs of the burgeoning elderly population. The first legislative responses to these needs in the last half of this century were the passage in 1965 of Medicare, which provides health insurance for the aged, and Medicaid, which covers health costs of lower-income persons, many of whom are elderly. The Age Discrimination in Employment Act, as amended, now protects workers between their 40th and 70th birthdays from discrimination in job promotions and hiring.

In the early 1970s, the congressional lobby for the elderly made substantial strides toward a better life for older Americans. Congress voted to regulate all nursing homes that receive Medicare or Medicaid funds. In 1973, amendments to the 1965 Older Americans Act used large sums in building state and local social services and nutrition programs for the elderly. Later, Congress gave money under this act for special employment programs and "senior centers." In 1974, Congress passed the Supplemental Security Income program (SSI), which in effect guarantees federal minimum income for poor aged, blind, and disabled persons. Also

in 1974, Congress enacted Title XX of the Social Security Act, which allocates large amounts of federal funds for social services to potentially abused, dependent, and neglected persons, many of whom are elderly.

In 1965, for the first time, legislation created an administrative agency responsible for the affairs of the elderly. The Administration on Aging (AoA) of the Department of Health, Education, and Welfare was charged in the Older Americans Act of 1965 with a series of responsibilities toward the elderly that included virtually every aspect of aging. The initial appropriation to AoA was \$10 million; in 1974 it administered programs with a combined budget of approximately \$400 million. Since 1965, AoA has made funds available to states to assist local government agencies and nonprofit organizations in implementing such activities as coordination of service planning and delivery; advocacy; development of information, referral, and counseling services; establishment of research and demonstration projects; and the training of personnel working in the aging field.

The 1973 amendments modified and expanded provisions of the Older Americans Act. For the first time, local-level planning through area agencies on aging became a part of the aging network.

Since its creation, AoA has focused some of its programs on specific problems, such as nutrition. It has developed a broad strategy for implementing its more open-ended responsibilities for providing social services. However, AoA has mainly been an administrative vehicle for transferring federal funds to states and area agencies on aging, which in turn determine what needs and problems should be responded to.

The 1971 White House Conference on Aging was the prologue to the first formal pronouncement of a U.S. policy on aging. Former President Richard M. Nixon announced four major national goals: "Assuring an

adequate income; assuring appropriate living arrangements; assuring independence and dignity; assuring institutional responsiveness and a new attitude towards aging." In the absence of a new formal declaration, it can be assumed that this is still the national policy on the status of older Americans.

What is the North Carolina General Assembly and State Government doing about some of the problems of aging? This last session was the most successful ever in terms of the number of bills passed affecting the elderly. Some of the major accomplishments of this session were:

1. The establishment of committees which for the first time provided a forum for our senior citizens.
2. The establishment of a Division of Aging within the Department of Human Resources. This Division superseded the Office for Aging which had neither authority nor legislative status. Hopefully the Division can combine and coordinate programs for the elderly. It will deal with senior citizen programs such as home health services, transportation, nutrition, health, recreation, and housing.
3. The establishment of a Study Commission on Aging to meet between legislative sessions.
4. The enactment of a bill to permit the use of school cafeterias and facilities.
5. The development and enactment of an expanded homestead exemption for persons over 65. Any person over 65, or any person who is permanently disabled, whose income is less than \$9,000, will receive \$7,500 in property tax exemptions.
6. The enactment of the Nursing Home Patients' Bill of Rights.
7. The enactment of legislation to permit municipalities to spend

money for senior citizens' programs.

8. Provision for free tuition for senior citizens (65 or older) in the University and Community College system.
9. The passage of a resolution asking Congress to organize and fund a National Conference on Aging in 1980 or 1981.

PROCEEDINGS

The Legislative Research Commission's Committee on Aging (hereafter referred to as the Committee) held six meetings during the course of its deliberations. Over a period of about ten months, the Committee heard from numerous groups and persons. It is interesting to note that many volunteers and senior citizen groups took a great interest in the proceedings for they realized that the Committee was devoted entirely to considering their problems, goals and aspirations. They were permitted and encouraged to appear freely before the Committee.

The Committee looked at a great many issues for possible legislative action, such as:

Health	Protective Services
Income	Consumer Interests
Housing	Transportation
Employment	

Unfortunately, since the time until the next session was very short and the budget was limited, the Committee had to limit its scope somewhat and take those issues which those appearing before the Committee thought most important.

The following section is a distillation of those issues which need immediate attention by the General Assembly.

FINDINGS AND RECOMMENDATIONS

- (1) AMEND RESOLUTION 86 OF THE 1977 SESSION LAWS TO EXTEND THE LEGISLATIVE RESEARCH COMMISSION'S AUTHORITY TO STUDY THE PROBLEMS OF AGING TO THE 1979 SESSION OF THE GENERAL ASSEMBLY AND TO INCREASE PARTICIPATION ON THE STUDY COMMITTEE BY PERSONS 60 OR OVER. (See Appendix C)

Resolution 86 only authorized the Study of the Problems of Aging through the 1977 General Assembly, Second Session 1978. It was quite evident from the start of the activities of the Committee that much more time and effort are needed to adequately define the problems and propose solutions. It also seems necessary to the Committee that, since this study will have such an impact on the older population, more persons over 60 be included on the committee. Therefore, the Committee requests extension of its authority at least to the 1979 General Assembly with an increase of membership, to include two persons 60 or over to be appointed by the Speaker and two persons 60 or over to be appointed by the President Pro Tempore, who shall be public members.

- (2) REQUIRE BY ACT OF THE GENERAL ASSEMBLY THAT ALL 100 COUNTIES IN NORTH CAROLINA PROVIDE HOME HEALTH SERVICES. (See Appendix D)

Home Health agencies were authorized by the Medicare law passed in 1965. Home Health Services, defined in 42 U.S.C. 1395x, are furnished to an individual under the care of a physician by a home health agency, which is either a public agency or a private (profit or nonprofit) organization.

In North Carolina, home health agencies operate in 90 counties, all except Rowan, Union, Anson, Bladen, Stokes, Jones, Pamlico, Hyde, Davidson, and Robeson. Stokes expects to start an agency in April, 1978; Anson is a possibility for 1978.

The State provides start-up money for each agency: DHR estimates it costs approximately \$55,000 to start a new county home health agency (\$30,000 FY1; \$25,000 FY2). This provides a cash flow to the agency until third-party reimbursement and private bills can be collected.

According to DHR, 84% of patients received Medicare reimbursement (100% Federal), 11% received Medicaid (funded 68% Federal, 28.2% State, 4.8% county), while the remaining 5% had private insurance, VA, or paid privately.

There were some uncollectibles because of \$60 deductible under Medicare Part B and some bad debts by completely private patients. The State budget provides approximately \$50,000 Federal and \$60,000 State monies to reimburse county and nonprofit private home health agencies for uncollectibles. Federal money may be available in FY 79 for creation of new home health agencies.

In the 90 counties, 69 have home health provided by the health department, 10 from nonprofit private agencies, 8 through hospital-run agencies, 2 from local comprehensive health centers, and 1 by a profit-making proprietary agency (Mecklenburg).

There is no statutory mandate for home health agencies. G.S. 130-13 provides that "each county shall make public health services available to its residents," but does not state which services must be provided.

G.S. 130-9(f) and 130-170.1 provide for licensing of private home health agencies (handled administratively through the Division of Facilities Services, DHR), but do not require agencies to be established. The Social Security Act (42 U.S.C. 1395, et seq.) requires certification of any home health agency in order for services

to be reimbursable under Medicare (Title XVIII) or Medicaid (Title XIX).

The DHR has taken steps to mandate home health agencies in all counties. 10 NCAC 12 .0210 states that each ". . . local health department shall have a plan for home health services." This regulation, adopted by the Commission on Health Services on July 1, 1977, has not yet been complied with in all counties (ten still have no home health agency). The regulation provides no administrative sanctions.

This action would take no additional State monies for FY 1978-79, but would need an additional appropriation for FY 1979-80.

- (3) REQUIRE BY ACT OF THE GENERAL ASSEMBLY THAT ALL 100 COUNTIES IN NORTH CAROLINA PROVIDE EITHER HOMEMAKER SERVICES OR CHORE SERVICES AND THAT THE STATE OF NORTH CAROLINA ASSUME ONE-HALF THE NON-FEDERAL SHARE OF THE COSTS OF THESE EXISTING PROGRAMS. (See Appendix E)

The problem of providing in-home care is the issue that has received the most attention by the Committee. People want to be left in their homes. They dread leaving familiar settings where they live in dignity, self-respect, and independence to move to any kind of group care where inevitably they lose both some of their dignity and often much of their independence.

The abilities of some elderly persons to care for themselves decline as they get older, and family members and others are not always available to provide the care these elderly persons need in order to remain in their homes.

In addition to providing alternatives to institutionalization, the provision of in-home services prevents further illness or

disability and promotes independence for the individual. These services enable individuals to maintain and restore good health and allow them to function at the highest possible levels of self-care and independence.

There are no counties in North Carolina that do not provide either Homemaker or Chore Services, but the Committee feels that the General Assembly ought to go on record as supporting these services both by statutory provision and an increased level of State participation. To raise the State's participation in Chore Services to one-half the non-federal share will cost \$595,628, and for Homemaker Services the cost will be \$190,665. Therefore, the State and counties will share equally the financial responsibility for these existing programs.

- (4) THE ESTABLISHMENT OF A TASK FORCE BY THE SECRETARY OF HUMAN RESOURCES, WITH STAFF SUPPORT FROM THE DIVISION OF AGING, TO INVESTIGATE THE DEVELOPMENT, INTEGRATION, AND COORDINATION OF HOME-HEALTH SERVICES AND OTHER IN-HOME SERVICES INTO A DELIVERY SYSTEM WHICH MEETS NATIONAL STANDARDS. (See Appendix F)

Home health care and other related home-delivered services for the elderly are not being effectively coordinated. Services are available through so many different programs that effective coordination and delivery seems close to impossible. Services provided are not accessible through a single entry point.

The Committee recognizes the problems involved since different agencies offer these services. In fact, much of the problem stems from the lack of a policy at the federal level. But the Committee does feel that the Department of Human Resources should begin

immediately the investigation of these gaps in in-home care. If the problems are correctable at the State level, then the Committee wishes to know so that some action may be taken.

- (5) FOR EXPANSION OF SERVICES, INCREASE STATE APPROPRIATIONS BY \$100,000 EACH FOR HOMEMAKER SERVICES, CHORE SERVICES, ADULT DAY CARE, AND HOUSING AND HOME IMPROVEMENT. (See Appendices G, H and I)

These services are provided by the county departments of social services and are funded through a combination of federal, State, and county funds. The source of federal funds is Title XX of the Social Security Act. Federal funding is available at the rate of 75%, and the State and counties must fund the remaining 25% of costs. In many instances the State has not carried its share of the burden in funding these programs. For most of the Title XX services, the State contributes only about 3% and the counties contribute the remaining 22% to make up the 25% non-federal share. (See Appendix J for an explanation of these programs.)

- (6) MODIFY BY STATUTE THE INCOME-ELIGIBILITY STANDARDS FOR THE MEDICALLY NEEDY RECIPIENTS OF MEDICAID. (See Appendix K)

There are two basic divisions of eligibility for Medicaid: categorical eligibility and medically needy. A categorically eligible is a person who is eligible for some other public assistance program and, as a result, is eligible automatically for Medicaid.

Medically needy are those people who because of income level or other resources are ineligible for categorical aid, but are still eligible for Medicaid after meeting a spend-down (deductible) requirement.

The spend-down is defined as income in excess of the maintenance allowance for the six-month period of eligibility. The maintenance allowance is set forth in the Appropriations Bill as being sufficient for basic needs in private living arrangements and totals about \$141 per month. For example, assume that an individual with a net monthly income of \$200 applied for Medicaid. The income for six months is \$1,200. The maintenance allowance for one person for six months is \$850; therefore, the individual must spend \$350 for medical expenses before Medicaid would begin to pay any medical expenses.

The Committee heard many very sad personal stories about the hardship imposed by the low maintenance allowance upon many of our elderly who are in need of medical care. Many requested that the spend-down be abolished. This cannot be accomplished since federal law requires that the medically needy maintenance allowance be pegged at no more than 133-1/3% of the income eligibility standards for the categorically needy. Therefore, the Committee requests the Legislature to raise this maintenance allowance for the medically needy to the 133-1/3% level of the categorically needy maintenance allowance.

(7) RESTORE DENTAL SERVICES TO ADULTS AS PART OF THE RANGE OF AVAILABLE MEDICAID SERVICES TO NORTH CAROLINA CITIZENS.

In an effort to contain Medicaid costs, the General Assembly eliminated dental services for adults under Medicaid for the 1977-79 biennium. The Committee finds that this has put an undue burden on the older adult since he is a heavy user of this service. Therefore, the Committee strongly supports the number one priority of the Department of Human Resources to restore this cut for FY 1978-79. The Department of Human Resources estimates that this restoration will

total \$4,377,000 in State funds.

- (8) SUPPORT THE BUDGET REQUEST FROM THE DIVISION OF AGING FOR AN APPROPRIATION TO INCREASE THE DEVELOPMENT OF LOCAL FOCAL POINTS ON AGING.

As an important element in providing effective services to older adults, the Division of Aging should have the resources to promote the development of a multi-service focal point on aging in every county.

- (9) THE PASSAGE OF H.B. 486 IN THE SECOND SESSION OF THE 1977 GENERAL ASSEMBLY.

Many of the issues brought to the attention of the Committee on Aging have been economic problems. For instance, in many cases the majority of the financial resources of many elderly are contained in the equity in their home. In later years when family responsibility has diminished, the older homeowner may wish to sell and move to more convenient quarters. Because of inflation and other factors, the home is worth a substantial sum on the current market. Under current statutes, it is financially unattractive to sell the home and pay large capital gains taxes.

H.B. 486 addresses this problem by exempting from gross income the gain from the sale or exchange of the residence of an individual who has attained age 65. There is some modification of the exemption if the sale price is over \$35,000.

The Committee feels that special attention should be given to this bill by those committees involved so that passage may be achieved in the Second Session of the 1977 General Assembly.

(10) ALLOW BY PERMISSIVE LEGISLATION OF THE GENERAL ASSEMBLY THAT COUNTY
BOARDS OF EDUCATION MAY CONTRACT TO ALLOW SCHOOL BUSES TO BE USED
BY THE ELDERLY. (See Appendix L)

Current North Carolina law does not allow school systems to let outside groups use school buses. This seems to be a dichotomy to the Committee since the need for more transportation for the elderly has been frequently stressed in the ten regional meetings of the Governor's Conference on Aging. There were occasions in which this concern seemed to take precedence over any other.

A Department of Transportation assessment of vehicles available to social service agencies throughout the State shows that there is a considerable shortage of vehicles in rural areas, and that there are some counties in which there are no agency vehicles at all. The 11,675 yellow buses and the approximately 1,000 activity buses in the State represent an obvious potential resource for serving the transportation requirements of those agencies serving the elderly.

The Department of Public Instruction, under enabling legislation passed by the General Assembly, currently allows school districts to use yellow buses during the summer for Head Start programs, but as there are funds for a 181-day school year only, the school districts must pay for the use of each school bus by the mile, purchase their own insurance, and pay the drivers directly. Though only about 35 buses are now used in this fashion, the mechanics involved in this use lay the groundwork for the expanded use of school buses. What is done for Head Start programs can be done for agencies serving the elderly.

The Committee realizes that the use of yellow school buses is

not by any means the solution to the transportation problems of the elderly, but just one small piece within a total system that must be developed.

(11) AMEND NURSING HOME BILL OF RIGHTS (H.B. 1015) TO CLARIFY PROCEDURES FOR THE APPOINTMENT OF NURSING HOME COMMUNITY ADVISORY COMMITTEES.

(See Appendices M and N)

It was brought to the attention of the Committee by the Division of Aging and others that the section of the law prescribing procedures for advisory committees was unclear and would be difficult to implement. Therefore, the Committee staff was directed to meet with the interested parties and to draw a bill that would not affect the intent of the original bill, but would help in its implementation. This has been accomplished.

The proposed bill now provides that one advisory committee shall be established in each county which has a nursing home. In a county which has one, two, or three nursing homes, the committee shall have five members. In a county with four or more nursing homes, the committee shall have one additional member for each nursing home in excess of three. Appointment procedures are also established for these committees.

One of the major provisions that was added requires that the Division of Aging shall develop training materials which shall be distributed to each committee member and nursing home. Each committee member must receive training as specified by the Division of Aging prior to exercising any of the powers under certain sections of the bill. For the Division of Aging to implement this training provision, the Committee is requesting an appropriation of \$42,500.

This appropriation request, along with the amendments to H.B. 1015, is the number one priority of the Committee for this legislative session.

APPENDICES

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1977
RATIFIED BILL

RESOLUTION 86

HOUSE JOINT RESOLUTION 533

A JOINT RESOLUTION DIRECTING THE LEGISLATIVE RESEARCH COMMISSION TO STUDY THE PROBLEMS AND NEEDS OF THE AGING POPULATION IN NORTH CAROLINA AND TO MAKE RECOMMENDATIONS TO THE GENERAL ASSEMBLY.

Whereas, rapid advances in technology and science in recent years have spawned drastic changes in our patterns of living, leading to a fragmentation of our social structures and a disintegration of traditional family roles, creating serious economic, social, and psychological problems for the aging members of our population; and

Whereas, the aging population in North Carolina presently constitutes over fourteen percent (14%) of the total population and is increasing three times faster than the State population as a whole; and

Whereas, continued inflation, rising taxes, increasing costs of medical care, inadequate institutional care facilities, insufficient pension income, forced early retirement, and lack of public awareness, have compounded the problems of the elderly; and

Whereas, because these older citizens have contributed magnificently to the progress and general well-being of our State and nation, and it is our concern and desire that their retirement years be a time of fulfillment rather than

frustration;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. The Legislative Research Commission, as structured by G.S. 120-30.10 et seq., shall make a thorough study of the entire range of problems and needs of the older adults of this State and to make specific recommendations to the Governor and the General Assembly on how these problems can be satisfactorily solved and met by legislative action which is deemed necessary and appropriate. In its deliberations, the commission shall examine national trends and programs in other states as well as programs and priorities in North Carolina. For purposes of this study, "older adult" is defined as every citizen who is 60 years of age or older. The commission shall report to the 1977 General Assembly, Second Session 1978.

Sec. 2. This resolution shall become effective upon its ratification.

In the General Assembly read three times and ratified, this the 1st day of July, 1977.

JAMES C. GREEN, SR.

James C. Green
President of the Senate

CARL J. STEWART, JR.

Carl J. Stewart, Jr.
Speaker of the House of Representatives

APPENDIX B

PERSONS APPEARING BEFORE THE COMMITTEE

Mr. William Potter, Director
Legislative Research
Legislative Services Office

Mr. Nathan Yelton, Assistant Secretary
Division of Aging
Department of Human Resources

Mr. Morton Congleton, Deputy Assistant Secretary
Division of Aging
Department of Human Resources

Dr. Elizabeth Welch
State Legislative Committee of the American Association
of Retired Persons in North Carolina

Mr. Claude Ferrell, Executive Director
American Association of Retired Persons in North Carolina

Mr. Harvey Jordan, Member
American Association of Retired Persons in North Carolina

Ms. Oressa Hauser, Vice-President
Forsyth County Council on Aging

Mrs. Inez Myles, Executive Director
North Carolina Senior Citizens Federation

Mr. Leo Heer (Former Representative)
Member, Advisory Council on Aging

Mr. Jerry Passmore, Director
Orange County Council on Aging

Ms. Georgia Springer, Attorney
Dorothea Dix Hospital

Dr. Ellen Winston, Chairman
Governor's Advisory Council on Aging

Mr. John Tanner
Division of Social Services
Department of Human Resources

Ms. Sandra Ray, Aging Administrator
Region L Council of Governments

Mr. Jerry Smith, Director
Wilson County Department of Social Services

Members of the Careworker Staff
Wilson County Department of Social Services

Ms. Alma Johnson
Mrs. Natalie Matthews
Ms. Cleo Goodman

Ms. Margaret Keller
Division of Health Services
N. C. Department of Human Resources

Mr. Robert Ward, Director
Division of Social Services
N. C. Department of Human Resources

Ms. Judy Poston, Chief
Income Maintenance Section
Division of Social Services
N. C. Department of Human Resources

Mrs. Mary Adams, Consultant
Mental Health Services
Division of Mental Health and Mental Retardation
N. C. Department of Human Resources

Mrs. Mary Snider
Wake County Department of Social Services

Mr. Calvin Underwood, Supervisor
Chore Services
Durham County Department of Social Services

Mrs. Sue Turner
Stanly County Department of Social Services

Ms. Sudie Goldston, Operator
Creative Life Center
Winston-Salem, North Carolina

Mr. Wayne Tingen
Director of Forty-Niners Club
Operator of Rest Home in Wake County

Ms. Ruth Mace
Head of Housing Planning
Triangle Housing Development Corporation

Ms. Charlotte Mitchell, Head
Public Assistance Branch
Division of Social Services
N. C. Department of Human Resources

Mr. George Hess
Social Security Office
Raleigh, North Carolina

Mr. Jim Gibson, Chief
Medical Services Section
Division of Social Services
N. C. Department of Human Resources

Medical Services Section Staff:

Mr. Robert Milks
Mrs. Daphne Lyon

Ms. Lark Hayes, Attorney
Charlotte Legal Aid Program

Clients and Members of Senior Citizens United and Charlotte Area
Fund Workers:

Mrs. Lulabelle Switzer
Mr. Theodore Allen
Miss Lucille McNeal

Mrs. Jeannie Chalk, Manager
Nursing Home in Forsyth County

Ms. Janet Gnuse, Director
Mecklenburg Council on Aging

Mr. Ben Blackburn, Manager
Patient and Family Services
Nash General Hospital

Mrs. Tina Toyal
Cumberland County Mental Health Center

Mr. Rick Heicksen
Cumberland County Coordinating Council on Older Adults
Transportation Department

Ms. Evelyn Dorsey, Transit Planner
Cumberland County Joint Planning Board
Fayetteville City Transit Department

Mr. Clifton Lecornu
Area Agency Planner and Administrator
Region M Council of Governments

Ms. Alice Garland
Department of Transportation
Raleigh, North Carolina

Dr. Ron Preston
Duke University

APPENDIX C

A JOINT RESOLUTION TO EXTEND THE STUDY OF THE PROBLEMS AND NEEDS OF THE AGING POPULATION IN NORTH CAROLINA BY THE LEGISLATIVE RESEARCH COMMISSION, AND TO INCREASE PARTICIPATION ON THE STUDY COMMITTEE.

Whereas, the complexities of the problems facing the aging population in North Carolina in the areas of inflation, rising taxes, increasing costs of medical care, inadequate institutional care facilities, insufficient pension income, and forced early retirement are sizeable and substantial in scope; and

Whereas, other avenues of approach in solving these problems are presently being studied by the Executive Branch of North Carolina State Government and the results of such studies are not yet available for consideration; and

Whereas, the Legislative Research Commission Study Committee on the problems of the aging needs additional time in its deliberations;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. Resolution 86 of the 1977 Session Laws is hereby amended by rewriting the last sentence of Section 1 to read as follows:

"The Commission shall report to the First Session of the 1979 General Assembly."

Sec. 2. In addition to the current membership of the Committee on Aging of the Legislative Research Commission, under the authority of G.S. 120-30.10(c), the Speaker shall appoint two persons aged 60 or over, and the President Pro Tempore shall appoint two persons aged 60 or over.

Sec. 3. This resolution is effective upon ratification.

APPENDIX D

A BILL TO BE ENTITLED

AN ACT TO REQUIRE HOME HEALTH SERVICES IN EVERY COUNTY.

The General Assembly of North Carolina enacts:

Section 1. General Statutes Chapter 130 is amended by adding a new section to read as follows:

"§ 130-170.2. Home health services to be provided in all counties.--

(a) Every county shall provide home health services as defined in G.S. 130-170.1(a).

(b) For the purpose of this section, home health services shall be as defined in G.S. 130-170.1(a), except that such services may be provided by any organization listed in subsection (c) of this section.

(c) Home health services may be provided by a county health department, by a district health department, by a home health agency licensed under G.S. 130-170.1, or by a public agency. The county may provide home health services by contract with another health department, or with a home health agency or public agency in another county."

Sec. 2. This act shall be effective July 1, 1979.

APPENDIX E

A BILL TO BE ENTITLED

AN ACT TO REQUIRE IN-HOME SERVICES FOR THE ELDERLY TO BE PROVIDED IN ALL COUNTIES AND TO MAKE SPECIAL APPROPRIATIONS.

The General Assembly of North Carolina enacts:

Section 1. Chapter 108 of the General Statutes is amended by adding the following new Article to read:

"Article 7

"In-Home Services for the Elderly

"§ 108-124. Legislative purpose.--The General Assembly finds that:

(1) The abilities of some elderly persons to care for themselves decline as they get older, and family members or others are not always available to provide the care these elderly persons need in order to remain in their own homes.

(2) The provision of in-home services prevents elderly persons from having to leave their own homes and being inappropriately placed in group homes or institutions.

(3) In addition to providing alternatives to institutionalization, the provision of in-home services prevents further illness or disability and promotes independence for the individual. The services enable individuals to maintain and restore good health and allow them to function at the highest possible levels of self-care and independence.

(4) There are not enough in-home services available in North Carolina to meet the needs of those elderly persons who need them.

(5) Homemaker Services and Chore Services are major in-home services and should be provided to meet the needs of the elderly so that they can remain in their own homes.

"§ 108-125. Definitions.--As used in this Article, unless the context requires otherwise:

(1) "Chore Services" means the performance of tasks incidental to the activities of daily living which do not require the services of a trained homemaker or other specialist. Such services are provided to enable individuals to remain in their own homes when they are unable to carry out such activities for themselves and where no responsible person is available for this purpose. Services include care or assistance in meeting basic care needs such as meal preparation, shopping for food and other necessities; running necessary errands, providing transportation to essential service facilities and resources; care and cleaning of house, grounds, clothing and linens; and minor repairs to house, furnishings and clothing. Personal care services, such as assistance in eating, bathing, dressing, or grooming may also be included. Such services will be provided under professional direction and only by chore workers who have received training for the proper performance of such tasks.

(2) "Homemaker Services" means supportive services provided by qualified paraprofessionals who are trained and supervised to help maintain, strengthen and safeguard the care and functioning of the elderly in their own homes. These services include providing assistance in management of household budgets, planning nutritious meals, purchasing and preparing foods, help with housekeeping duties and basic personal and health care with focus on avoiding unnecessary and expensive institutional care, help and instruction in managing to live within a public assistance or other limited budget, and consumer education generally.

(3) "Institutionalization" means placement in a licensed group care facility such as a Family Care Home, Home for the Aged, Intermediate Care Facility, or Skilled Nursing Facility.

"§ 108-126. County departments of social services must provide in-home services.--Each county department of social services shall provide either Homemaker Services or Chore Services, or both, to elderly persons who need the service in order to remain in or return to their homes rather than being institutionalized.

"§ 108-127. Social Services Commission to issue rules.--The Social Services Commission shall issue rules and regulations governing the provision of Homemaker Services and governing the provision of Chore Services.

"§ 108-128. Counties not to reduce Homemaker Services.--No county may receive any State funds for Homemaker Services for the elderly if it reduces the total amount of county and State funds spent on Homemaker Services for the elderly in that county to a level below that provided on January 1, 1978.

"§ 108-129. Counties not to reduce Chore Services.--No county may receive any State funds for Chore Services for the elderly if it reduces the total amount of county and State funds spent on Chore Services for the elderly in that county to a level below that provided on January 1, 1978."

Sec. 2. There is appropriated from the General Fund to the Department of Human Resources, Division of Social Services, the sum of one hundred ninety thousand six hundred and sixty-five dollars (\$190,665) for the 1978-79 fiscal year to provide additional State funds for Homemaker Services to the elderly. Such funds shall be used so that State appropriations for such programs pay for one-half of the non-federal share.

Sec. 3. There is appropriated from the General Fund to the Department of Human Resources, Division of Social Services, the sum of five hundred ninety-five thousand six hundred and twenty-eight dollars

(\$595,628) for the 1978-79 fiscal year to provide additional State funds for Chore Services for the elderly. Such funds shall be used so that State appropriations for such programs pay for one-half of the non-federal share.

Sec. 4. This act shall be effective July 1, 1978.

APPENDIX F

A RESOLUTION REQUESTING THE SECRETARY OF HUMAN RESOURCES TO APPOINT
A TASK FORCE TO STUDY HOME HEALTH AND HOMEMAKER SERVICES.

Whereas, a pattern of in-home services to meet the varied and
changing needs of older adults would be cost effective; and

Whereas, different agencies currently offer these types of
services; and

Whereas, possible integration of Home Health and other in-home
services may alleviate the problems;

Now, therefore, be it resolved by the House of Representatives, the
Senate concurring:

Section 1. The Secretary of Human Resources is requested to
establish a task force, with staff support, to investigate the develop-
ment, integration, and coordination of Homemaker, Home Health, and
similar services into a homemaker-home health aide delivery system which
meets national standards.

Sec. 2. The task force is requested to make its report to the
Legislative Research Commission, as well as to the Secretary of Human
Resources.

Sec. 3. This resolution is effective upon ratification.

APPENDIX G

A BILL TO BE ENTITLED

AN ACT TO MAKE AN APPROPRIATION TO EXPAND HOMEMAKER SERVICES AND
CHORE SERVICES.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Department of Human Resources, Division of Social Services, the sum of two hundred thousand dollars (\$200,000) for the 1978-79 fiscal year to provide funds for Homemaker Services for the elderly and for Chore Services for the elderly. Such funds shall be used to pay one-half the non-federal share of initiating Homemaker Services for the elderly or Chore Services for the elderly or both in counties which do not provide one or both services, and expanding either or both services in other counties.

Sec. 2. This act shall be effective July 1, 1978.

APPENDIX H

A BILL TO BE ENTITLED
AN ACT TO APPROPRIATE FUNDS FOR ADULT DAY CARE.

Whereas, the Legislative Research Commission's Committee on Aging has examined the needs of the over-60 age group; and

Whereas, there is a pressing need for a comprehensive program of services that will make it possible for older adults to remain in their own homes or return to their own homes after institutional care; and

Whereas, Adult Day Care is one of these services;

Now, therefore, the General Assembly of North Carolina enacts:

Section 1. There is hereby appropriated from the General Fund to the Division of Social Services of the Department of Human Resources the sum of one hundred thousand dollars (\$100,000) for the fiscal year 1978-79 for the purpose of providing Adult Day Care. These funds are to be used to match federal funds.

Sec. 2. The funds appropriated in this act shall not be used to replace any other funds, either State or local, appropriated for the purpose of providing Adult Day Care.

Sec. 3. This act shall become effective July 1, 1978.

APPENDIX I

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR HOME MAINTENANCE AND REPAIR FOR ADULTS
AGED 60 AND OLDER.

Whereas, the Legislative Research Commission's Committee on Aging
has examined the needs of the over-60 age group; and

Whereas, there is a pressing need for a comprehensive program of
services that will make it possible for older adults to remain in their
own homes or return to their own homes after institutional care; and

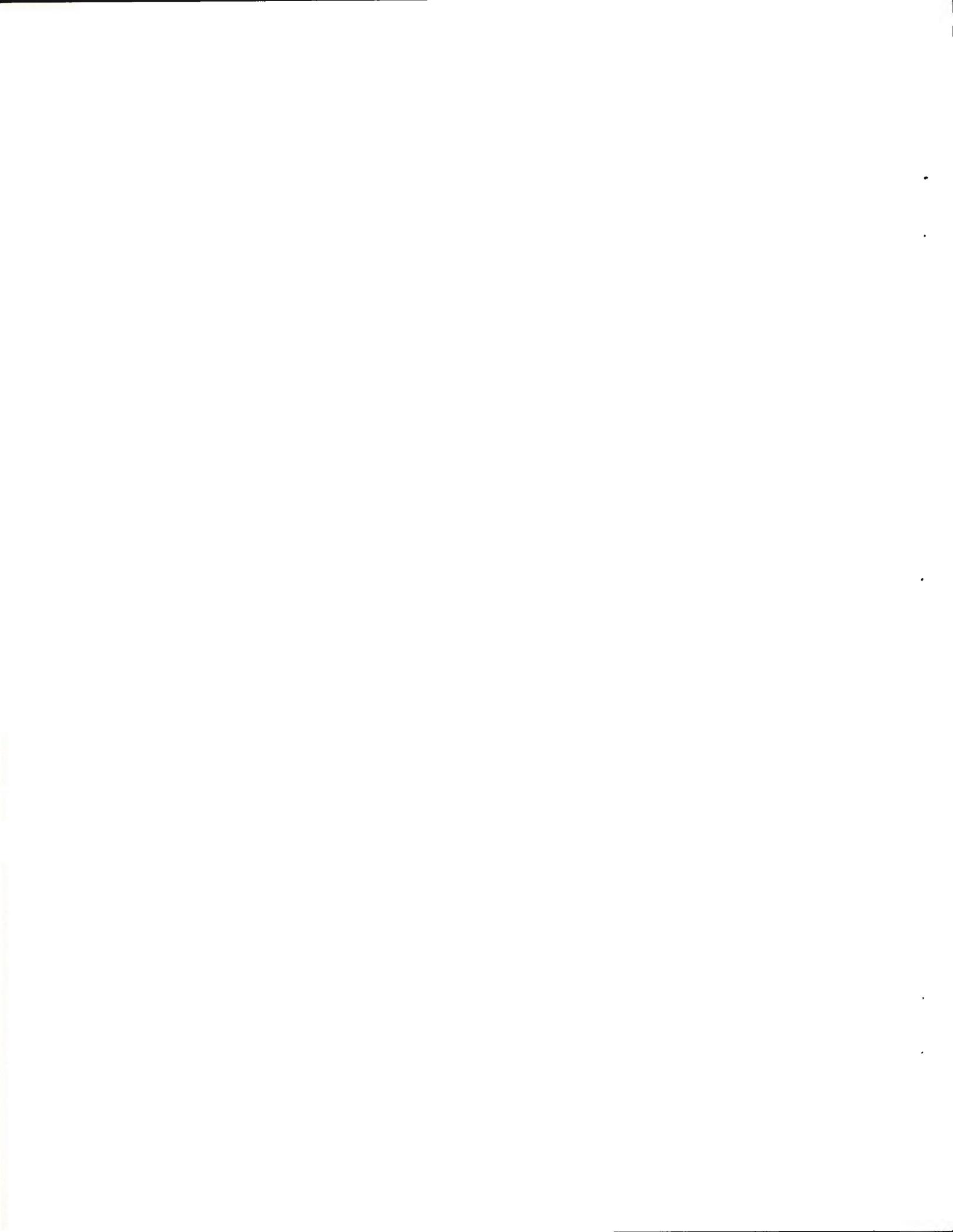
Whereas, Home Maintenance and Repair is one of these services;

Now, therefore, the General Assembly of North Carolina enacts:

Section 1. There is hereby appropriated from the General Fund to
the Division of Social Services of the Department of Human Resources the
sum of one hundred thousand dollars (\$100,000) for the fiscal year
1978-79 for the purpose of providing Home Maintenance and Repair Services.
These funds are to be used to match federal funds.

Sec. 2. The funds appropriated in this act shall not be used to
replace any other funds, either State or local, appropriated for the
purpose of providing Home Maintenance and Repair.

Sec. 3. This act shall become effective July 1, 1978.



APPENDIX J

HOMEMAKER SERVICES

Definition of the Service

Homemaker Services are provided by qualified paraprofessionals who are trained and supervised by the agency to help maintain the aging in their own homes. These services include providing assistance in management of household budgets, planning nutritious meals, purchasing and preparing foods, and help with housekeeping duties and basic personal and health care, with focus on avoiding unnecessary and expensive institutional care.

Current Amount of Service Available

Available agency statistics show that as of August, 1977, 30 counties in the State do not provide Homemaker Services at all, and most of the 70 counties that do provide the service do so on a limited basis only. Of those 70 counties, there are 25 counties with 1 homemaker; 18 counties with 2 homemakers, and 11 counties with 3 homemakers. Thus, 77% of those county departments of social services providing Homemaker Services have three or less homemakers. And the homemakers in these agencies do not work only with the elderly. They also help families with children and disabled adults. These factors indicate that many elderly persons who need this service and are eligible for it are unable to obtain it.

Information from the State's Title XX Comprehensive Annual Services Plan shows that 16 additional counties have budgeted to provide Homemaker Services beginning October 1, 1977, for FY 77-78. This means that a total of 86 counties will provide Homemaker Services during FY 77-78 to the elderly, disabled, and families with children. The number of homemakers employed in each of the 16 additional counties is likely to be three or

HOMEMAKER SERVICES

less, the same as employed in most other county departments of social services.

Expansion of Needs and Costs

<u>Est. No. of Elderly Persons in Need of the Service</u>	<u>Est. No. of Elderly Persons Receiving the Service</u>	<u>Est. No. of Elderly Persons in Need of Receiving It</u>
31,144	4,948	26,196

Based on a caseload of 100 elderly persons per homemaker per year, there is a need for 262 additional homemakers to meet the need of all those elderly persons who need the service, but are not able to obtain it due to the lack of funds.

Homemakers are classified in two levels according to State Personnel Standards, Homemaker I and II, and are paid accordingly. The salary plus fringe benefits for a Homemaker I is approximately \$7,245 per year. This figure does not include the cost of equipment, supplies, travel, and administrative overhead. Using this figure as a salary base, the following table illustrates various levels of need and estimated costs for the service:

<u>No. of Elderly in Need</u>	<u>Percent of Need</u>	<u>Amount of Funds Needed</u>	<u>No. of Homemakers</u>
26,196	100%	\$ 1,898,190	262
19,647	75%	1,423,642	196
13,098	50%	949,095	131
6,549	25%	474,547	65

CHORE SERVICES

Definition of the Service

Chore Services means the performance of tasks incidental to the activities of daily living which do not require the services of a trained homemaker or other specialist. Such services are provided to enable individuals to remain in their own homes when they are unable to carry out such activities for themselves and where no responsible person is available for this purpose. Services include care or assistance in meeting basic care needs such as meal preparation, shopping for food and other necessities; running necessary errands, providing transportation to essential service facilities and resources; care and cleaning of house, grounds, clothing and linens; and minor repairs to house, furnishings, and clothing.

Personal care services, such as assistance in eating, bathing, dressing, or grooming may also be included. Such services will be provided under professional direction and only by chore workers who have received training for the proper performance of such tasks.

Current Amount of Service Available

There are five counties in the State which do not provide Chore Services at all. Consequently, elderly persons residing in those counties who are eligible for the service are unable to get this help to enable them to stay in their homes.

There are some complicating factors even in those 95 counties that do provide the service. First of all, Chore Services is available not only to the elderly, but also to disabled children and adults. Also, there are three methods by which a county department of social services can provide Chore Services. The county department can hire Chore workers as county employees, or the agency can make cash payments to the elderly

CHORE SERVICES

clients who in turn hire Chore workers, or the county department can contract with another agency to provide the Chore workers. And then county departments can use any combination of these three methods to provide the service.

The provision of Chore Services through the cash payment method means that the county provides money to an eligible client and the client, in turn, hires, supervises, and pays the Chore worker. It is intended that this method would be used in providing the service to a client who is capable of handling his own business affairs; thus being in a position to understand and carry out his responsibilities as the Chore worker's employer and to make certain that he is getting adequate services.

In practice, however, this is not the case. Of the 95 counties providing Chore Services, 45 counties are providing it through the cash payment method alone. Thus, eligible clients in those counties must hire, supervise and pay (wages and Social Security) a Chore worker themselves. There are 48 counties providing the service through the method of employing Chore workers as county employees. Through this method the Chore worker is supervised by the county department of social services. Only two counties are providing the service through a combination of the two methods (thus allowing those who can manage their own affairs to hire their own Chore workers, yet also providing the supervision and management needed by other clients who can't manage this responsibility).

The cash payment method, through State policy, allows a county department of social services to provide Chore Services at a lower cost than the other two methods. Under the cash payment method the maximum rate of pay (on which county departments will receive federal and State

CHORE SERVICES

financial participation) is \$150 per month for a client to employ a Chore worker. Under the method of employing Chore workers as county employees, the maximum rate of pay (on which county departments will receive federal and State financial participation) is \$210 per month per client plus the county's share of the FICA tax.

In addition, the rate of State financial participation in cash payment method is 12-1/2% of the 24% non-federal share, as opposed to 3% State financial participation under the method of employing Chore workers as county employees.

The county departments have the option of providing the service through the cash payment method and choose it because it is a cheaper way of providing the service. That is certainly a reasonable approach to providing services. However, with this particular service problems do occur when those clients unable to determine whether they are getting adequate services or unable to manage the responsibility of hiring, supervising, and paying a Chore worker are forced to do so anyway.

The cash payment method of providing Chore Services replaced the old Attendant Care program in July, 1976. The General Assembly in the 1976 Session eliminated the Attendant Care program as an effort to save State funds. The rate of State financial participation in the Attendant Care program was 50% and the counties provided 50% of the costs. Federal funding under Title XX was available at a 75% rate, and this enabled the State to reduce its level of participation to 12-1/2%, with the counties providing 12-1/2% of the 25% non-federal share.

In a preliminary survey of county departments of social services, it was indicated that Chore Services is an alternative to institutional care, primarily rest home care. The county departments indicated that

CHORE SERVICES

Chore Services does prevent elderly persons from entering Family Care Homes and Homes for the Aged. They also indicated that Chore Services is not an alternative to skilled nursing care or intermediate care.

Current Level of Spending

During the fiscal year of July 1, 1976, through June 30, 1977, the county departments of social services reported expenditures of \$868,812 for providing Chore Services to 4,833 elderly persons.

Expansion Needs and Costs

<u>Est. No. of Elderly Persons in Need of the Service</u>	<u>Est. No. of Elderly Persons Receiving the Service</u>	<u>Est. No. of Elderly Persons in Need of the Service But Not Receiving It</u>
25,375	7,734	17,641

Based on a caseload of two elderly persons per Chore Worker per year (65 hours/91 hours per month - 3 hours/4 hours per day), there is a need for 8,820 additional Chore providers to meet the needs of all those elderly persons who need the service but are not able to obtain it due to lack of funds.

Currently there are 2,488 Chore Workers employed by county departments and 1,379 clients receiving the service through the cash payment method. The current maximum payment rate is \$2,520 per year for county employees and \$1,800 for the cash payment method. Using these figures, the following table illustrates various levels of need and estimated costs for the service:

<u>No. of Elderly in Need</u>	<u>Percent of Need</u>	<u>Amount of Funds Needed</u>	<u>No. of Chore Workers</u>
17,641	100%	\$ 19,051,200	8,820
13,230	75%	14,288,400	6,615
8,820	50%	9,525,600	4,410
4,410	25%	4,762,800	2,205

ADULT DAY CARE SERVICES

Definition of the Service

Day Care Services for Adults is the provision of an organized program of services during the day in a community group setting for the purpose of supporting adults' personal independence and promoting their social, physical, and emotional well-being. Services must include a variety of program activities designed to meet the individual needs and interests of the participants, and referral to and assistance in using appropriate community resources. Also included are medical examinations required for individual participants for admission to day care, transportation, and food services to provide a nutritional meal and snacks as appropriate to the program.

Current Amount of Service Available

There are 84 counties in the State which do not provide Adult Day Care Services at all. This is a primary service which enables the elderly to remain in their own homes, and yet it is not available to persons living in those 84 counties. In the 16 counties where it is provided, the amount of service available is minimal. The number of slots for individual participants ranges from 5 in one county to 84 in another county. There are 515 slots in the entire State. These are not restricted for use by the elderly. Disabled adults participate in Adult Day Care programs too.

Twelve additional counties have indicated in their Title XX program plans that Adult Day Care Services have been budgeted for and will be provided during FY 77-78. These counties have not developed their programs as of this date.

There are three methods by which a county department can provide Adult Day Care Services. The county department can operate an adult day

ADULT DAY CARE SERVICES

program, or the agency can purchase the service through a vendor payment on a maximum monthly rate basis, or the department can contract with another agency to provide the service. Of the 515 slots available in the State, 72 are in county-operated programs, 207 are purchased through vendor payments, and 236 are purchased through contracts.

Expansion Needs and Costs

<u>Est. No. of Elderly Persons in Need of the Service</u>	<u>Est. No. of Elderly Persons Receiving the Service</u>	<u>Est. No. of Elderly Persons in Need of the Service But Not Receiving It</u>
9,840	463	9,377

The current monthly rate for adult day care is a maximum of \$140. This rate is expected to increase to approximately \$159 in July, 1978. The figures shown below are based on a \$159 rate and illustrate various levels of need and estimated costs for the service:

<u>No. of Elderly in Need</u>	<u>Percent of Need</u>	<u>Amount of Funds Needed</u>	<u>No. of Day Care Slots</u>
9,377	100%	\$ 1,789,131	9,377
7,032	75%	1,341,848	7,032
4,688	50%	894,565	4,688
2,344	25%	447,282	2,344

HOUSING AND HOME IMPROVEMENT SERVICES

Definition of the Service

Housing and Home Improvement Services means assistance to individuals and families in obtaining and retaining adequate housing and basic furnishings. Services include helping to improve landlord-tenant relations, to identify substandard housing, to secure correction of housing code violations, to obtain or retain ownership of own home, and to find and relocate to more suitable housing. Also included are the provision of labor and materials for minor renovations and repairs to owner-occupied dwellings to remedy conditions which are a risk to personal health and safety.

Also included is provision of basic appliances, such as stove, refrigerator, or heater when this is not the responsibility of the landlord and the individual lacks these essentials to prepare food or is without heat.

Current Amount of Service Available

According to the Title XX Comprehensive Annual Service Plan for FY 77-78, 81 counties are providing Housing and Home Improvement Services. This service has three basic parts. The first part includes assistance to individuals and families in obtaining and retaining adequate housing. Assistance is provided in the form of consultation to and education of clients, and advocacy on behalf of clients. If the county department includes this service in its Title XX plan, this first component must be provided. The other components are optional parts of the service and don't have to be provided unless the county includes one or both of them in its Title XX Plan.

One of these components is the provision of labor and materials for minor renovations and repairs to owner-occupied dwellings in order

HOUSING AND HOME IMPROVEMENT SERVICES

to remedy conditions which are a risk to personal health and safety. No information is currently available listing the number of county departments providing this part of the service. One estimate is that 18 counties are providing this component. It was not an optional component of the service for FY 76-77, and the 87 counties which included the service in their Title XX Plan provided this component to some degree. Eighty-one county departments continue to provide the service this year, but many have had to eliminate this component due to the reduction in Title XX funds and/or the shortage of State and county matching funds.

The third component is the provision of basic appliances, such as stove, refrigerator, or heater when this is not the responsibility of the landlord and the individual lacks these essentials to prepare food or is without heat. This is an optional component of the service and has also been eliminated by many counties due to the same reasons stated above.

Current Level of Spending

During the fiscal year of July 1, 1976 through June 30, 1977, the county departments of social services reported expenditures of \$14,278 for providing Housing and Home Improvement Services to 135 elderly persons. No information is available about how much of this amount represents staff time in making minor renovations and repairs. This figure does not include the cost of materials for making minor renovations and repairs or for basic appliances. That information is not currently available.

HOUSING AND HOME IMPROVEMENT SERVICES

Expansion Needs and Costs

<u>Est. No. of Elderly Persons in Need of the Service</u>	<u>Est. No. of Elderly Persons Receiving the Service</u>	<u>Est. No. of Elderly Persons in Need of the Service But Not Receiving It</u>
42,653	8,713	33,940

Counseling with elderly persons to help them obtain or retain adequate housing and basic furnishings is provided by caseworkers. The service has two other important components which are essential to enabling some elderly persons to remain in their own homes. These include: (a) the provision of labor and materials for minor renovations and repairs to owner-occupied dwellings to remedy conditions which are a risk to personal health and safety, and (b) the provision of basic appliances such as stove, refrigerator, or heater when this is not the responsibility of the landlord and the individual lacks these essentials to prepare food or is without heat.

Based on a caseload of 150 elderly persons per caseworker per year, there is a need for 226 additional caseworkers to meet the need of all those elderly persons who need the service but are not able to obtain it due to lack of funds.

<u>No. of Elderly in Need</u>	<u>Percent of Need</u>	<u>Amount of Funds Needed</u>	<u>No. of Caseworkers</u>
33,940	100%	\$ 2,500,464	226
25,455	75%	1,875,348	169
16,970	50%	1,250,232	113
8,485	25%	625,116	56

Available agency information shows that approximately 25% of the elderly persons in need of this service need minor renovations and repairs, and approximately 10% need basic appliances in order to remain

HOUSING AND HOME IMPROVEMENT SERVICES

in their own homes. The average estimated amount spent by county departments for minor renovations and repairs is approximately \$125. The average estimated amount spent for basic appliances is approximately \$100. Using these client and cost figures as a basis, the following table illustrates various levels of need and estimated costs for this part of the service:

MINOR RENOVATIONS AND REPAIRS

<u>No. of Elderly in Need</u>	<u>Percent of Need</u>	<u>Amount of Funds Needed</u>
8,485	100%	\$ 1,060,625
6,363	75%	795,468
4,242	50%	530,312
2,121	25%	265,156

BASIC APPLIANCES

<u>No. of Elderly in Need</u>	<u>Percent of Need</u>	<u>Amount of Funds Needed</u>
3,394	100%	\$ 339,400
2,545	75%	254,550
1,697	50%	169,700
848	25%	84,850

APPENDIX K

A BILL TO BE ENTITLED

AN ACT TO MODIFY THE INCOME ELIGIBILITY STANDARDS FOR MEDICALLY NEEDY
RECIPIENTS OF MEDICAID.

The General Assembly of North Carolina enacts:

Section 1. The fourth paragraph of Section 17 of the 1977
North Carolina Session Laws Chapter 802, which sets maximum net family
annual income eligibility standards for Medicaid, is rewritten to read as
follows:

"Maximum net family annual income eligibility standards for Medicaid
shall be as follows:

<u>Family Size</u>	<u>Categorically Needy</u>	<u>Medically Needy</u>	
1	\$1,452	\$1,700	2,000
2	1,908	2,200	2,600
3	2,196	2,500	3,000
4	2,400	2,800	3,300
5	2,628	3,000	3,600
6	2,832	3,200	3,800
7	3,036	3,400	4,100
8	3,168	3,600	4,300
9	3,300	3,800	4,500
10	3,480	4,000	4,700
11	3,660	4,200	4,900
12	3,840	4,400	5,200
13	4,020	4,600	5,400

Any change in these standards must be approved by the Governor and the
Advisory Budget Commission."

Sec. 2. There is appropriated from the General Fund of the State to the Department of Human Resources, Division of Social Services, Medical Assistance Program, the sum of nine hundred fifty thousand and eighty-seven dollars (\$950,087) for the fiscal year 1978-79. These funds are in addition to any other appropriation, and they are to be used to pay the additional cost of increasing the income eligibility standards for medically needy recipients of Medicaid.

Sec. 3. This act shall become effective on July 1, 1978.

APPENDIX L

A BILL TO BE ENTITLED

AN ACT TO PERMIT BOARDS OF EDUCATION TO ALLOW SCHOOL BUSES TO BE USED BY THE ELDERLY.

The General Assembly of North Carolina enacts:

Section 1. General Statutes Chapter 115 is amended by adding a new section to read as follows:

"§ 115-183.1. Use of school buses by senior citizen groups.--(a) Any county board of education or city board of education may enter into agreements with the governing body of any county, city, or town, or with any State agency, or any agency established or identified pursuant to Public Law 89-73 (The Older Americans Act of 1965), as it is now or may be amended, to provide for the use of school buses to provide transportation for the elderly.

(b) Each agreement entered into under this section must provide the following:

- (1) that the board of education shall be reimbursed in full for the proportionate share of any and all costs, both fixed and variable, of such buses attributable to the uses of the bus pursuant to the agreement.
- (2) that the board of education shall be held harmless from any and all liability by virtue of uses of the buses pursuant to the agreement.
- (3) that adequate liability insurance is maintained under G.S. 115-53 to insure the board of education, and adequate insurance is maintained to protect the property of the board of education. The minimum limit of liability

insurance shall not be less than the maximum amount of damages which may be awarded under the Tort Claims Act, G.S. 143-291. The costs of said insurance shall be paid by the agency contracting for the use of the bus, either directly or through the fee established by the agreement.

(c) Before any board of education shall enter into any agreement under this section, it must by resolution establish a policy for use of school buses by the elderly. The policy must give first priority to school uses under G.S. 115-183 and G.S. 115-53.

(d) No board of education shall be under any duty to sign any agreement under this section."

Sec. 2. G.S. 115-183 is amended by adding a new subdivision (7) to read:

"(7) Uses authorized by G.S. 115-183.1."

Sec. 3. G.S. 115-53 is amended by inserting at the end the words "Activity buses may also be used as provided in G.S. 115-183.1."

Sec. 4. G.S. 20-217 is amended by striking "(including privately owned buses transporting children)", and inserting in lieu thereof "(including privately owned buses transporting children and school buses transporting elderly persons under G.S. 115-183.1)".

Sec. 5. This act is effective upon ratification.

APPENDIX M

A BILL TO BE ENTITLED

AN ACT TO CLARIFY PROCEDURES FOR APPOINTMENT OF NURSING HOME COMMUNITY ADVISORY COMMITTEES.

The General Assembly of North Carolina enacts:

Section 1. Section 2 of Chapter 897, Session Laws of 1977, is rewritten to read:

"Sec. 2. General Statutes Chapter 130 is amended by adding a new section to read:

"§ 130-9.5. Nursing Home Advisory Committees.

(a) Statement of Purpose - It is the purpose of the General Assembly that community advisory committees work to maintain the spirit of the nursing home bill of rights (Chapter 130, Article 30) within the nursing homes in this State. It is the further purpose of the General Assembly that the committees promote community involvement and cooperation with nursing homes and an integration of these homes into a system of care for the elderly.

(b) Establishment and Appointment of Committees - A community advisory committee shall be established in each county which has a nursing home, shall serve all the homes in the county, and shall work with each home for the best interests of the persons residing in each home. In a county which has one, two, or three nursing homes, the committee shall have five members. In a county with four or more nursing homes, the committee shall have one additional member for each nursing home in excess of three.

In each county with four or more nursing homes, the committee shall establish a subcommittee of five members from the committee for

each nursing home in the county. Each member must serve on at least one subcommittee.

Each committee shall be appointed by the board of county commissioners. Of the members, a minority (not less than one-third, but as close to one-third as possible) must be chosen from among persons nominated by a majority of the chief administrators of nursing homes in the county. If the nursing home administrators fail to make a nomination within forty-five days after written notification has been sent to them by the board of county commissioners requesting a nomination, such appointments may be made by the board of county commissioners without nominations.

(c) Terms of Office - Each committee member shall serve an initial term of one year. Any person reappointed to a second or subsequent term in the same county shall serve a three-year term. Persons who were originally nominees of nursing home chief administrators, or who were appointed by the board of county commissioners when the nursing home administrators failed to make nominations may not be reappointed without the consent of a majority of the nursing home chief administrators within the county. If the nursing home chief administrators fail to approve or reject the reappointment within forty-five days of being requested by the board of county commissioners, the commissioners may reappoint the member if they so choose.

(d) Vacancies - Any vacancy shall be filled by appointment of a person for a one-year term. Any person replacing a member nominated by the chief administrators or a person appointed when the chief administrators failed to make a nomination shall be selected from among persons nominated by the administrators, as provided in subsection (b). If the county commissioners fail to appoint members to a committee, or fail

to fill a vacancy, the appointment may be made or vacancy filled by the Secretary of Human Resources or the Secretary's designee no sooner than forty-five days after the commissioners have been notified of the appointment or vacancy if nomination or approval of the nursing home administrators is not required. If nominations or approval of the nursing home administrators is required, the appointment may be made or vacancy filled by the Secretary of Human Resources or the Secretary's designee no sooner than forty-five days after the commissioners have received the nomination or approval, or no sooner than forty-five days after the nursing home administrators' forty-five day period for action has expired.

(e) Officers - The committee shall elect from its members a chairman, to serve a one-year term.

(f) Qualifications - Each member must be a resident of the county which the committee serves. No person or immediate family member of a person with a financial interest in a home served by a committee, or employee or governing board member or immediate family member of an employee or governing board member of a home served by a committee, or immediate family member of a patient in a home served by a committee may be a member of a committee.

Membership on a committee shall not be considered an office as defined in G.S. 128-1 or 128-1.1. Any county commissioner who is appointed to the committee shall be deemed to be serving on the committee in an ex-officio capacity. Members of the committee shall serve without compensation, but may be reimbursed for the amount of actual expenses incurred by them in the performance of their duties. The names of the committee members and the date of expiration of their terms shall be filed with the Division of Aging, which shall supply a copy to the

Division of Facilities Services.

(g) The Division of Aging, Department of Human Resources, shall develop training materials, which shall be distributed to each committee member and nursing home. Each committee member must receive training as specified by the Division of Aging prior to exercising any power under subsection (h) of this section. The Division of Aging, Department of Human Resources shall provide the committees with information, guidelines, training, and consultation to direct them in the performance of their duties.

(h) Duties -

- (1) Each committee shall appraise itself of the general conditions under which the persons are residing in the homes, and shall work for the best interests of the persons in the homes. This may include assisting persons who have grievances with the home and facilitating the resolution of grievances at the local level.
- (2) Each committee shall quarterly visit the nursing home it serves. For each such official quarterly visit, a majority of the committee members shall be present. In addition, each committee may visit the nursing home it serves whenever it deems it necessary to carry out its duties. In counties with four or more nursing homes, the subcommittee assigned to a home shall perform the duties of the committee under this subdivision, and a majority of the subcommittee members must be present for any visit.
- (3) Each member of a committee shall have the right, between 10 a.m. and 8 p.m., to enter into the facility the

committee serves in order to carry out the members' responsibilities. In a county where subcommittees have been established, a member shall have a right to enter only homes served by subcommittees of which he is a member.

- (4) The committee or subcommittee may, at any time it deems necessary, communicate through its chairman, with the Department of Human Resources or any other agency in relation to the interest of any patient. The names of all complaining persons shall remain confidential, unless written permission is given for disclosure.
- (5) Each home shall cooperate with the committee as it carries out its duties.
- (6) Before entering into any nursing home, the subcommittee or member shall identify itself to the person present at the facility who is in charge of the facility at that time.

(i) Nursing Homes to Cooperate - In order for a nursing home as defined by G.S. 130-9(e) to be licensed under that subsection, the home shall cooperate with a community advisory committee."

Sec. 2. Section 4 of Chapter 897, Session Laws of 1977, is rewritten to read:

"The provisions of this act shall become effective January 1, 1978, except that G.S. 130-9.5(a) through G.S. 130-9.5(g), as proposed by Section 2, shall take effect July 1, 1978, and G.S. 130-9.5(h) and (i), as proposed by Section 2, shall take effect March 1, 1979.

"Community advisory committees shall be appointed no later than January 1, 1979 in counties which have nursing homes prior to that

date, and the initial terms of office of those committee members shall expire February 29, 1980."

Sec. 3. This act is effective upon ratification.

APPENDIX N

A BILL TO BE ENTITLED

AN ACT TO MAKE AN APPROPRIATION TO ENABLE THE DIVISION OF AGING TO TRAIN NURSING HOME COMMUNITY ADVISORY COMMITTEES.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Department of Human Resources, Division of Aging, the sum of forty-two thousand five hundred dollars (\$42,500) for the 1978-79 fiscal year. Such funds shall be used by the Division to implement Section 2 of Chapter 897, Session Laws of 1977, so as to provide nursing home community advisory committees with information, guidelines, training, and consultation.

Sec. 2. This act shall be effective July 1, 1978.

